

## axis diplomat

### Purchase Requirements

The axis diplomat Purchase Requirements module provides a powerful link between the Purchase Order Processing module, the Stock Ledger and, optionally, the MRP module and/or Stock Forecasting module.



#### The Purchase Requirements Module

The Purchase Requirements module is able to create a list of suggested purchase orders, and to suggest with whom those purchase orders should be placed. The suggested ordering list can be created from the Stock Ledger (based on the stock under minimum information) or from shortages identified by the Material Requirements Planning (MRP) module.

The suggested ordering information is created automatically by the system, whether from the stock ledger or Material Requirements Planning modules, and can be monitored and adjusted manually. This facility allows managerial judgement to be used to take into account factors which the system cannot be aware of, for example, quantity related special offers.

Once the purchasing manager is completely happy with the suggested ordering list, a simple and completely automatic function will convert these into official purchase orders.

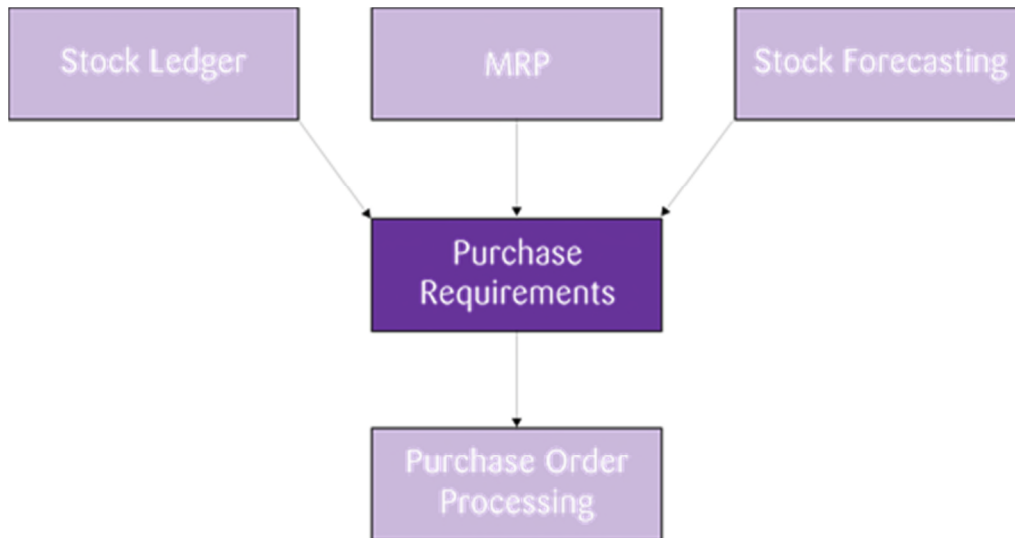
The ability to manually enter Purchase Requirement details also makes the module ideal for those who wish to enter "unapproved Purchase Orders" which may be converted to official Purchase Orders once they have been approved by the appropriate supervisor.

The suggested suppliers will be identified from extended information which is held on the supplier/product price list. You have the option to specify whether the system should select suggested suppliers based on price, lead time or other, user defined, categories.

By providing the tools to offer tighter stock control, Purchase Requirements may also reduce the need to hold large amounts of buffer stock. This, in turn, reduces the amount of capital tied up in stock which can improve cashflow.

Purchase Requirements is incredibly useful in a wide range of situations, not just in relation to manufacturing. For example, back to back ordering and just-in-time stock control are just two operations which become trivial administration tasks instead of major management headaches!

## The Method of Operation Flow Chart



## Method of Operation

1. The stock shortages or requirements are identified using
  - ✓ **Stock Under Minimum**  
As with the standard Stock Under Minimum report available on the Stock Ledger, Purchase Requirements can take into account allocations of stock to current sales orders and expected receipts from current outstanding purchase orders.
  - ✓ **MRP**  
On systems with both the Purchase Requirements and MRP modules, the generation of Purchase Requirements can be incorporated with the main Production Scheduling run.
  - ✓ **Stock Forecasting**  
On systems with both the Stock Forecasting and Purchase Requirements modules, the stock requirements can be based on the forecast demand calculated by the Stock Forecasting module.
2. Manual Review of the Requirements List. This allows the purchasing manager to quickly and easily review and amend the stock items, quantities and selected suppliers on the Purchase Requirements List.
3. Conversion to Purchase Orders. Once the manual review has been carried out, the generation of purchase orders can be completely automated.  
The three stages described above can be carried out consecutively or as completely separate operations, hours, days or weeks apart. This is because, once generated, the Purchase Requirements are held on file for future review.

## Further Information

For further details please call one of our sale team on **0800 668 1934** or by visiting our website [www.axissoftware.co.uk](http://www.axissoftware.co.uk)